

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION**

In re: RE & D INVESTMENTS, LLC

Case Number 22-23697

Debtors.

Involuntary Chapter 7

**ANSWER BY JAMES ZHONG TO INVOLUNTARY PETITION FOR RELIEF
UNDER CHAPTER 7 OF THE UNITED STATES BANKRUPTCY CODE**

Comes now James Zhong aka Jimmy Zhong (hereafter “Zhong”) by and through his undersigned counsel of record, and files this, his Answer to the Involuntary Petition for Relief filed herein on or about September 1, 2022 (ECF No. 1). Zhong responds and would state as follows:

1. Zhong is Chief Manager of the Debtor pursuant to the Operating Agreement of same.
2. Zhong holds 80% of the shares of the Debtor corporation.
3. Clayton Kemker (hereafter “Clayton”) holds 20% of the shares of the Debtor corporation and is the son of Frank Kemker who is the principal of the petitioning creditor FEK, LLC.
4. Clayton is Manager of the Debtor under the Operating Agreement of Debtor.
5. Zhong has no information to either admit or deny as to the validity and amounts of the three petitioning creditors as such information is held by Clayton as the Manager. Zhong does not waive any right through

this response to later dispute the validity or the amount of the claim of FEK, LLC.

6. Zhong was provided the attached list of real properties owned by Debtor with valuation of such properties. (See attached as Exhibit “A”). The exhibit shows that Zhong’s investment in Debtor is \$9,555,062.85.
7. Zhong does not contest that a bankruptcy case may be appropriate at this time but asserts that such case should be converted to a Chapter 11 for an orderly liquidation of the assets for Debtor to pay all allowed claims of creditors and preserve any equity in the Debtor for its members.
8. Zhong requests the Court to consider the Answer timely as he was only able to obtain counsel in Tennessee for representation in these matters in the last couple of days.
9. Due to his investment in the Debtor and as the Chief Manager of the Debtor Zhong asks the Court to give weight to the preference of the majority shareholder Zhong to convert to a Chapter 11 filing and a plan of liquidation to sell for fair market value and not auction of property .

WHEREFORE, Zhong responds and answers the involuntary petition filed by the three petitioning creditors and requests that if the petition is granted that such case be converted to a Chapter 11 case and for such other and further relief as is just in these matters.

Respectfully Submitted,
/s/ Toni Campbell Parker
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of this pleading has been served by U.S. Mail, postage prepaid or by e-mail on this 11th day of October, 2022 to the following parties:

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